Montana Public Service Comm. July 23, 2021

Exhibit 16



James Brown, Chairman

MONTANA PUBLIC SERVICE COMMISSION RULEMAKING STATUS UPDATE

1. DOCKETED, BUT NO FORMAL NOTICE PUBLISHED WITH SOS

PURPA Rulemaking - 2021.03.037

- o January 26, 2021 Rulemaking initiated by Commission.
- o March 17, 2021 Solicited informal public comment.
- o April 16, 2021 Received comments from 8 interested parties.
- No formal notice of proposed rulemaking has been published.
- Requested comments on the topics of
 - *OF contract length*
 - avoided carbon dioxide emission costs
 - Commission's Legally Enforceable Obligation (LEO) standard.
- At a subsequent business meeting, the Commission directed staff to solicit comment on appropriate avoided cost modeling methodology for hybrid (renewable + battery) qualifying facilities.
- o In the process of scheduling an informal roundtable discussion among stakeholders prior to publishing proposed amendments/proposed rules.

Utility Long-Term Planning & Competitive Solicitation – 2021.01.007

- Required to implement 2019 HB 597.
- Seeks to implement changes in the law regarding the utility long-term planning process and competitive solicitations for electric resources.
- January 19, 2021 solicited informal public comment.
- Comments received from 10 interested parties, including utilities, consumer groups, renewable/environmental groups, and the bill sponsor.
- No formal Notice of Proposed Amendment yet published in Administrative Register.
- Staff is currently completing a memorandum advising the Commission on draft rules to propose for adoption.
- Should be a proposal notice published in the Administrative Register in the next 1-2 months.

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Montana Energy Impact Assistance Bonds – 2020.03.033

- Required to implement 2019 HB 467
- Will address HB 467's purpose of encouraging and facilitating the use of securitized, ratepayer-backed Montana Energy Impact Assistance bonds to address, and lower the costs associated with, the retirement and/or replacement of electric infrastructure.
- March 17, 2020 Commission solicited informal public comment.
- May 8, 2020 Received comment from NorthWestern Energy and Montana-Dakota Utilities.
 - o Initial impression of comments by Commission staff was that commenters believed the bill to be unambiguous and that implementation could occur without rulemaking.
 - Recent audit flagged lack of rulemaking as inconsistent with legislative direction in the bill.
- No formal Notice of Proposed Rulemaking has yet been published in Administrative Register.
- Commission staff is currently completing a memorandum advising the Commission of draft rules to adopt for proposal. Anticipate proposal notice to be published in the Administrative Register in the next 1-2 months.

2. PROPOSAL NOTICE PUBLISHED IN ADMINISTRATIVE REGISTER. NO FINAL RULE YET ADOPTED

Advanced Meter Infrastructure - 2019.12.108

- January 29, 2021 Proposed Rule published in the Administrative Register.
- February 23, 2021 Public hearing conducted.
- March 1, 2021 Comment deadline. Commission received multiple comments, both written and orally during the hearing, from both utilities and customers.
- During rulemaking proceeding, in 2021 legislative session, legislature passed HB 606. HB 606
 amends existing AMI statutory authority to redefine "Advanced Metering Devices" and add a
 definition for "Advanced Metering Gateway Devices"
 - Requires Commission to determine whether to establish rules for "opt-out" programs for customers.
 - o Allows Commission to establish rules for an "opt-in" program.
 - Extends Commission's deadline to adopt rules to July 1, 2022.
- July 13, 2021 Initial Rulemaking Adoption Notice was amended to accommodate changes to the law resulting from HB 606.
- Commission will receive additional public comment and will adopt a final "opt-out" rule on or before January 13, 2022.
- Commission will initiate "Opt-In" rulemaking proceedings in the coming weeks.

Procedural Rules - 2021.04.053

- April 20, 2021 Rulemaking initiated.
- May 14, 2021 Proposed Rule Amendments published in Administrative Register.
- June 29, 2021 Adoption of proposed rules approved by the Commission, as amended.
 - o Removed changes to general and special intervention rules.
 - Made changes based on public comment.
- Amends various procedural rules to move toward electronic filing, streamline commission proceedings, eliminate duplicative or inconsistent procedural rules; and generally update certain outdated procedural rules.

• Moving forward the Commission will continue to review and amend its procedural rules within this docket as part of a larger-scale procedural rule review.

3. RECENTLY FINALIZED/ADOPTED RULES

Pipeline Safety - No docket number assigned

- Mont. Admin. Rs. 38.5.2202 and 38.5.2303 are amended annually to pick up changes to DOT Pipeline Safety, Drug, and Alcohol Testing Regulations.
- Amendments adopted by the Commission on May 4, 2021.
- Will be re-initiated in Q4 of 2021.

Discovery - 2020.12.122

- December 24, 2020 Notice of Proposed Rule Amendments published in Administrative Register.
- May 14, 2021 Notice of Adoption published in the Administrative Register on May 14.
- Amends Commission discovery rules to more closely align with actual Commission practice, and statutory authority in contested cases.

4. UPCOMING OR CONTEMPLATED RULEMAKINGS

- Implement 2021 HB 365 Deregulates all Class B motor carriers
- Implement 2021 HB 467 Repeals the renewable portfolio standard.
- <u>Implement SB 183</u> Revises applicable statute of limitation laws regarding overbilling of telecom services
- Transportation Civil Citation Process
- Recievables/Tax IDs
- PCN Renewals for Garbage Contracts